

Town of Barrington, New Hampshire

Request for Proposals

For

Financial Audit Services



Due: Wednesday, December 30, 2020

No later than 12:00pm

**Deliver by USPS to:
Town of Barrington
Qualifications for Barrington Town
Offices
PO Box 660
Barrington, NH 03825**

**Deliver in person or by UPS/FedEx to:
Town of Barrington
Qualifications for Barrington Town
Offices
333 Calef Highway
Barrington, NH 03825**

Questions to Amy Doherty, Finance Administrator
(603) 664-0152

adoherty@barrington.nh.gov
www.barrington.nh.gov



TOWN OF BARRINGTON

NEW HAMPSHIRE

Office of the Select Board
Request for Proposals – Financial Audit Services

Introduction

The Town of Barrington invites qualified independent certified public accountants to submit proposals for the performance of an audit of its financial accounts and related disclosures for the purpose of rendering an auditor's opinion regarding the fairness of applicable legal provisions in accordance with generally accepted auditing standards. During the evaluation process, the Town reserves the right, where it may serve the Town's best interest, to request additional information or clarification from participating audit firms, or to allow corrections on errors of omissions. At the discretion of the Town, firms submitting proposals may be requested to make an oral presentation as part of the evaluation process.

Contact Information

All questions or inquiries regarding this RFP should be in writing to:

Amy Doherty, Finance Administrator
Town of Barrington
PO Box 660, Barrington, NH 0325
Email: adoherty@barrington.nh.gov

Proposal Deadline

Proposals shall be mailed or delivered to the Town Hall so that it is received no later than 12:00 pm, Wednesday, December 30, 2020.

One (1) paper copy and one (1) electronic copy on a USB drive of the proposal shall be submitted in a sealed envelope, addressed to the Town of Barrington at the above address, bearing the name of the proposer on the outside and clearly captioned "Proposal for Financial Audit Services".

The Town of Barrington reserves the right to accept or reject all proposals without further discussion of the proposals submitted.

Proposals will be opened publicly at the Town Hall at 1:00 pm on December 30th, 2020.

It is anticipated that the selection of a firm will be completed by Monday, January 25, 2021. Following the notification of the selected firm, an engagement letter will be executed between both parties within 30 days of approval.

Terms of Engagement

1. The audit shall cover the period of January 1 through December 31, 2020. At the discretion of the



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Select Board, the contract may be extended up to five (5) years, subject to the satisfactory negotiation of terms, the agreement of the Town of Barrington and the annual availability of an appropriation.

General Information

The Town of Barrington is a municipality of the State of New Hampshire and serves a population of approximately 9,100. Barrington has a five-member Select Board form of government and an Annual Town Meeting (Senate Bill 2).

The Town's fiscal year runs from January 1 to December 31, with a total Regular General Fund Operating Expenditure of \$31,650,899 and a total Unassigned Fund Balance of \$3,894,056 for 2020. The principal municipal departments, all of which will be subject to this audit, are as follows: General Operating Fund, Recreation Fund, Ambulance Revolving Fund, Library Fund, Conservation Commission Fund, multiple Bond and Surety Funds, Grant Fund, Police Special Details Fund, Capital Reserve and Trust Funds.

The Town maintains its financial records through Accufund software. Avitar software is used for Town Clerk, Tax Collector, and Assessing.

The audit shall be a financial and compliance review of the following accounts. The following list is not all-inclusive.

- A. Major Governmental Funds:
 - a. General Fund
 - b. Library
 - c. Recreation
- B. Investment Accounts
 - a. Conservation Commission
 - b. Special Revenue Funds
 - i. Ambulance Fund
 - ii. Police Detail
 - iii. Drug Forfeiture
 - c. Bond and Surety Accounts
 - d. Impact Fee Accounts
 - e. Grant Accounts
 - f. Trust Fund Accounts

Audit Scope

Indicate in your proposal if you agree to meet or exceed the following performance specifications. Explain exceptions you may have regarding any specification.



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1. The auditor shall conduct the examination in accordance with generally accepted government auditing standards and procedures applicable to governmental units, as prescribed in the following documents:

- AICPA, Statements on Auditing Standards and Audits of State and Local Government Units;
- General Accounting Office, Standards for Audit of Governmental Organizations, Programs, Activities and Functions;
- Governmental Accounting, Auditing and Financial Reporting (GAAFR);
- Governmental Generally Accepted Accounting Principles (GAAP);
- Governmental Accounting Standards Board Series (GASB).

2. The audit shall perform a financial and compliance audit of all funds reported in the Town's Report. The Town Report can be found here:

<https://www.barrington.nh.gov/2019townreport>

The Town's 2019 Audit Report can be found here:

<https://www.barrington.nh.gov/2019audit>

3. It is anticipated that the audit will be started in early March. The auditor shall submit a report of the financial statements and supplemental schedules no later than May 1st. The auditor shall complete the state required report for submission to the NH Department of Revenue Administration no later than May 1st.

The Town will make its records and other financial documents available prior to the end of February so that the firm may begin its preliminary work before the close of the fiscal year in order to complete its report on a timely basis.

4. The auditor shall review the system of internal control and of compliance with budgetary legal requirements by the Town and provide recommendations in the form of a management letter. The auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the Town's ability to record, process, summarize and report financial data. Said letter shall include written responses by governmental officials to the auditor's observations.

5. Non-reportable conditions discovered by the auditors shall be reported in a separate letter to the Select Board and Town Administrator, which shall be referred to in the management letter.

6. Auditors shall be required to make an immediate written report to the Select Board of irregularities and illegal acts of which they become aware.

7. The working papers shall be retained for three years from submission of the final audit report. The



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auditor shall agree to make available its working papers upon request, to meet any Town financial need as well as in accordance with any federal or state grant provision.

8. The auditor shall provide the Town Administrator with the basic governmental fund financial statements and other supplemental schedules that were used to convert to the government-wide financial statements.
9. The Auditor shall provide nine (9) original paper copies of the financial statements and supplemental schedules, reportable conditions report and management letter. The auditor shall provide one (1) copy of the original audit and reports in media format.
10. The representative of the firm who oversees the audit shall be available, if requested, to attend a meeting with the Select Board at which the audit report will be discussed. The representative of the firm who oversees the audit shall be available to discuss the audit report or other reports required by this proposal with the Town Administrator as required.
11. Should the auditor encounter circumstances requiring an increase in the scope of the audit, or in extent of detailed investigation, written notice to that effect will be given to the Select Board, and this contract will be modified by mutual agreement as to the additional work and compensation.
12. The auditor shall file a copy of the auditor's report with the NH Department of Revenue Administration within thirty (30) days after completion of the audits.

Proposal Instructions

1. **Qualifications of the Firm.** The proposal should include a description of your firm and its relevant prior experience and a list of references pertaining to the audit or municipalities.
2. **Technical Approach.** The proposal should include an express agreement to meet or exceed the performance specifications stated in the audit scope. A brief description of the audit procedures to be followed and a tentative schedule for performing the key phases of the audit should be provided.
3. **Implementation of New Accounting Principles.** The proposal should include the firm's approach to assisting the Town with identifying accounting standards, as well as the implementation of these standards.
4. **Fees.** The proposal must indicate the maximum fee that your firm will charge the Town of Barrington for the annual audit. The total all-inclusive maximum price is to contain all direct and indirect costs including out-of-pocket expenses. All hourly rates shall include all direct and indirect costs. Out-of-pocket expenses for your firm's personal (e.g. travel, lodging, subsistence) shall be the responsibility of your firm. A list of the hourly rates by team member shall also be included.



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Should the firm encounter circumstances requiring an increase in the extent of detailed investigation, or should the Town require an increase in the scope of the audit, written notice to that effect must be given to the other party. The engagement can then be modified by mutual agreement as to additional work and compensation.

5. Manner of payment. The proposal shall include manner of payment and schedule of progress payments. The final payment for any audit shall become due only after submission of all reports required by this document and their acceptance by the Town.
6. Insurance. The firm awarded the contract shall maintain, at their own expense, during the life of the contract, insurance against professional liability. The firm shall also maintain at their own expense, during the life of the contract, the statutory Workers Compensation and Employer's Liability Insurance for all its employees engaged in work for this contract.